

UNIFIED SCHOOL DISTRICT NO. 379

Clay Center, Kansas

Financial Statements

For the Year Ended June 30, 2015

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UNIFIED SCHOOL DISTRICT NO. 379
Clay Center, Kansas
Financial Statements
For the Year Ended June 30, 2015

Table of Contents

	<u>Page Number</u>
INTRODUCTORY SECTION	
Table of Contents	i - ii
FINANCIAL STATEMENTS SECTION	
Independent Auditor's Report	1 - 2
Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
Notes to the Financial Statements	4 - 10
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	11
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget or Actual Only	
General Fund	12
Supplemental General Fund	13
At Risk (K-12) Fund	14
Bilingual Education Fund	15
Virtual Education Fund	16
Capital Outlay Fund	17
Driver Training Fund	18
Contingency Reserve Fund	19
Food Service Fund	20
Professional Development Fund	21
Parent Education Fund	22
Special Education Fund	23
Vocational Education Fund	24
Special Education Cooperative Fund	25
KPERs Retirement Contribution Fund	26
Textbook Rental Fund	27
Gifts and Grants Fund	28
Grants Fund	29
Bond and Interest Fund	30
2015 Bond Proceeds Fund	31
FEMA Fund	32
SCHEDULE 3	
Summary of Receipts and Disbursements	33 - 34
Agency Funds	
SCHEDULE 4	
Schedule of Receipts, Expenditures and Unencumbered Cash	35
District Activity Funds	

UNIFIED SCHOOL DISTRICT NO. 379
Clay Center, Kansas
Financial Statements
For the Year Ended June 30, 2015

Table of Contents
(Continued)

	<u>Page Number</u>
GOVERNMENTAL AUDIT SECTION	
Schedule of Expenditures of Federal Awards	36
Notes to the Schedule of Expenditures of Federal Awards	37
Schedule of Findings and Questioned Costs	38 - 39
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"	40 - 41
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133	42 - 43



INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 379
Clay Center, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 379, Clay Center, Kansas, (the District), as of and for the year ended June 30, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds, and the schedule of receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Mize Houser & Company PA

Certified Public Accountants

August 31, 2015
Lawrence, KS

UNIFIED SCHOOL DISTRICT NO. 379
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2015

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
General Funds:							
General	\$ 5,424	\$ -	\$ 8,481,462	\$ 8,486,886	\$ -	\$ 36,023	\$ 36,023
Supplemental General	127,617	-	2,798,775	2,880,460	45,932	11,000	56,932
Special Purpose Funds:							
At Risk (K-12)	197,027	-	533,605	530,632	200,000	-	200,000
Bilingual Education	7,765	-	10,000	8,507	9,258	-	9,258
Virtual Education	51,523	-	76,700	78,163	50,060	-	50,060
Capital Outlay	607,325	-	803,070	529,584	880,811	222,452	1,103,263
Driver Training	61,925	-	14,771	11,833	64,863	-	64,863
Contingency Reserve	402,612	-	49,026	-	451,638	-	451,638
Food Service	188,659	-	767,783	767,761	188,681	-	188,681
Professional Development	42,161	-	5,025	6,810	40,376	126	40,502
Parent Education	10,221	-	104,221	104,164	10,278	5,181	15,459
Special Education	770,878	-	1,798,340	1,789,762	779,456	-	779,456
Vocational Education	150,777	-	471,405	462,000	160,182	12,986	173,168
Special Education Cooperative	543,529	-	5,021,243	4,950,135	614,637	-	614,637
KPERS Retirement Contribution	-	-	1,015,520	1,015,520	-	-	-
Textbook Rental	262,212	-	52,491	30,869	283,834	288	284,122
Gifts and Grants	16,368	-	58,854	62,283	12,939	9,865	22,804
Grants	75,222	-	556,401	601,379	30,244	20,899	51,143
District Activity	16,654	-	167,020	144,033	39,641	-	39,641
Bond and Interest Fund:							
Bond and Interest	644,403	-	536,826	529,830	651,399	-	651,399
Capital Projects Funds:							
2015 Bond Proceeds	-	-	6,985,194	1,771,115	5,214,079	63,855	5,277,934
FEMA	-	-	782,410	32,888	749,522	-	749,522
Total Reporting Entity (Excluding Agency Funds)	\$ 4,182,302	\$ -	\$ 31,090,142	\$ 24,794,614	\$ 10,477,830	\$ 382,675	\$ 10,860,505

Composition of Cash

Union State Bank	Checking	\$ 4,903,772
	Total Union State Bank	4,903,772
United Bank & Trust	Checking	6,122,296
	Total United Bank & Trust	6,122,296
Farmers & Merchants Bank	Checking	30,071
	Total Farmers & Merchants Bank	30,071
	Total Cash	11,056,139
	Less Agency Funds per Schedule 3	[195,634]
	Total Reporting Entity (Excluding Agency Funds)	\$ 10,860,505

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 379 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements include all the accounts for which the District is considered to be financially accountable. The District had no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of \$42,146 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2015:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipts sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Projects Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Agency Fund - used to report assets held by a municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, student organization fund, permanent trust funds, etc.).

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), principal and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget for the year ended June 30, 2015 was not amended.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds, and the following special purpose funds: Contingency Reserve, Textbook Rental, Gate Receipts and School Projects.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 2 - Deposits and Investments

Deposits. K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

Investments. K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. As of June 30, 2015, the District held no such investments.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods". All deposits were legally secured at June 30, 2015.

At June 30, 2015, the District's carrying amount of deposits was \$11,056,139 and the bank balance was \$12,137,998. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$530,407 was covered by federal depository insurance and the balance of \$11,607,591 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Substance receipt in transit. The District received \$585,634 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

NOTE 3 - Long-term Debt

General Obligation Bonds. The District issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities.

General Obligation Bonds are direct obligations and pledge the full faith and credit of the District. These bonds generally are issued with equal amounts of principal maturing each year. General Obligation Bonds currently outstanding are as follows:

<u>Issue</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Balance June 30, 2015</u>
Paid for by revenues:					
General Obligation Bonds					
Series 2005-A Refunding	12/15/2005	2020	3.50 - 4.250%	\$ 3,795,000	\$ 2,415,000
Series 2015-A	4/1/2015	2031	2.00 - 3.00%	<u>7,600,000</u>	<u>7,600,000</u>
				<u>\$11,395,000</u>	<u>\$10,015,000</u>

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 3 – Long-term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

General Obligation Bonds			
<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2015-16	\$ 445,000	\$ 259,384	\$ 704,384
2016-17	465,000	258,094	723,094
2017-18	545,000	240,077	785,077
2018-19	560,000	220,529	780,529
2019-20	585,000	199,980	784,980
2021-2025	3,125,000	792,589	3,917,589
2026-2030	3,520,000	382,099	3,902,099
2031	770,000	11,550	781,550
Total	<u>\$ 10,015,000</u>	<u>\$ 2,364,302</u>	<u>\$ 12,379,302</u>

Following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Balance</u>	<u>Interest Paid</u>
Paid for by revenues:					
General Obligation Bonds					
Series 2005-A Refunding	\$ 2,845,000	\$ -	\$ 430,000	\$ 2,415,000	\$ 99,830
Series 2015-A	-	7,600,000	-	7,600,000	-
Totals	<u>\$ 2,845,000</u>	<u>\$ 7,600,000</u>	<u>\$ 430,000</u>	<u>\$ 10,015,000</u>	<u>\$ 99,830</u>

NOTE 4 – Capital Leases

The District has entered into lease agreements as lessee for financing the acquisition of equipment.

During the year ended June 30, 2015, the following changes occurred in capital leases:

	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Balance</u>	<u>Interest Paid</u>
Capital Leases					
Computers	\$ 271,151	\$ 206,586	\$ 157,208	\$ 320,529	\$ 5,152
Totals	<u>\$ 271,151</u>	<u>\$ 206,586</u>	<u>\$ 157,208</u>	<u>\$ 320,529</u>	<u>\$ 5,152</u>

Annual debt service requirements to maturity for capital leases are as follows:

Capital Leases			
<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2015-16	\$ 156,271	\$ 6,091	\$ 162,362
2016-17	112,135	3,121	115,256
2017-18	52,123	990	53,113
Total	<u>\$ 320,529</u>	<u>\$ 10,202</u>	<u>\$ 330,731</u>

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 5 - Defined Benefit Pension Plan

Plan description - The District participates in the Kansas Public Employees Retirement System (KPERS). KPERS is cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A 74-4901 *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the statutory required employers share.

Net Pension Liability. The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014, the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$13,791,324 as of June 30, 2014. The complete actuarial valuation report including all actuarial assumptions and methods is publically available at www.kpers.org or can be obtained as described in the first paragraph above.

NOTE 6 - Interfund Transactions

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General	Parent Education	K.S.A. 72-6428	\$ 23,600
General	Contingency Reserve	K.S.A. 72-6428	49,026
General	Food Service	K.S.A. 72-6428	22,968
General	Special Education	K.S.A. 72-6428	1,257,040
Supplemental General	At Risk (K-12)	K.S.A. 72-6433	533,605
Supplemental General	Bilingual Education	K.S.A. 72-6433	10,000
Supplemental General	Professional Development	K.S.A. 72-6433	5,000
Supplemental General	Food Service	K.S.A. 72-6433	13,971
Supplemental General	Special Education	K.S.A. 72-6433	523,219
Supplemental General	Vocational Education	K.S.A. 72-6433	450,790
Supplemental General	Virtual Education	K.S.A. 72-6433	76,600
Special Education	Special Education Cooperative	K.S.A. 72-6420	<u>1,715,050</u>
Total			<u>\$ 4,680,870</u>

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 7 - Compensated Absences

Classified personnel employed on a twelve month full-time status are eligible for a paid two week vacation. Vacation days may not be carried over from one fiscal year to another.

Payment for accumulated unused sick leave to a maximum of 60 days will be made upon retirement, death, or reduction in force. Payment will be based on the total number of full years of service in USD No. 379, less the number of prior years of service for which payment has been made. The rate of payment will be determined by the daily rate in effect at the time of retirement. The total number of full years of service and the reimbursement schedule is as follows:

<u>Number of Full Year of Service</u>	<u>Rate of Payment (Percentage of Daily Base Pay Rate)</u>
0 - 3	0%
4 - 9	15%
10 - 19	20%
20 - 29	25%
30 +	30%

The District has not recorded or computed this liability.

NOTE 8 - Termination Benefits

As provided by K.S.A 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

NOTE 9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past fiscal years.

NOTE 10 - Commitments Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material negative effect on the financial statements of the District at June 30, 2015.

NOTE 11 - Related Party Transactions

During the year ended June 30, 2015, the District paid \$18,820 for fuel and \$19,969 for heating and air services to companies owned by District board members.

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE 12 - Other Post Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

NOTE 13 - Capital Project

On April 1, 2015, USD 379 issued \$7,600,000 of Series 2015-A General Obligation Bonds to provide financing to construct, renovate, improve, equip, furnish, repair, remodel and update certain District education and sports facilities in Clay Center, Kansas, and Wakefield, Kansas, including, but not limited to, constructing a new tornado shelter; providing roofing, lighting, flooring, window and doorway replacements; providing certain high school auditorium improvements; providing new and upgraded air conditioning and heating systems for gymnasiums; constructing additional parking facilities; improving track and softball facilities; undertaking necessary site work and demolition work; and, all other things necessary and incidental thereto. The total estimated cost for the projects is \$7,640,055. As of June 30, 2015, total project expenditures incurred were \$1,804,003. The estimated completion date is March 1, 2016.

UNIFIED SCHOOL DISTRICT NO. 379
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Maximum Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Positive [Negative]</u>
General Funds:						
General Fund	\$ 8,650,051	\$ [205,311]	\$ 42,146	\$ 8,486,886	\$ 8,486,886	\$ -
Supplemental General	2,944,901	[64,441]	-	2,880,460	2,880,460	-
Special Purpose Funds:						
At Risk (K-12)	850,000	-	-	850,000	530,632	319,368
Bilingual Education	12,765	-	-	12,765	8,507	4,258
Virtual Education	101,523	-	-	101,523	78,163	23,360
Capital Outlay	1,243,444	-	-	1,243,444	529,584	713,860
Driver Training	74,215	-	-	74,215	11,833	62,382
Food Service	907,200	-	-	907,200	767,761	139,439
Professional Development	42,161	-	-	42,161	6,810	35,351
Parent Education	113,000	-	-	113,000	104,164	8,836
Special Education	2,077,600	-	-	2,077,600	1,789,762	287,838
Vocational Education	462,000	-	-	462,000	462,000	-
Special Education Cooperative	5,252,622	-	-	5,252,622	4,950,135	302,487
KPERs Retirement Contribution	1,343,406	-	-	1,343,406	1,015,520	327,886
Gifts and Grants	35,000	-	-	35,000	62,283	[27,283]
Grants	618,611	-	-	618,611	601,379	17,232
Debt Service Fund:						
Bond and Interest	529,830	-	-	529,830	529,830	-

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Ad valorem taxes	\$ 45	\$ -	\$ 45
Federal aid	27,645	-	27,645
General state aid	7,213,610	7,319,779	[106,169]
Special education aid	1,198,016	1,324,848	[126,832]
Reimbursements	42,146	-	42,146
Total Receipts	<u>8,481,462</u>	<u>\$ 8,644,627</u>	<u>\$ [163,165]</u>
Expenditures			
Instruction	3,627,248	\$ 3,515,555	\$ [111,693]
Student support services	265,962	264,000	[1,962]
Instructional support services	263,752	220,000	[43,752]
General administration	342,046	382,000	39,954
School administration	732,142	797,000	64,858
Other support services - business and administration	76,979	80,500	3,521
Operations and maintenance	1,272,720	1,454,100	181,380
Student transportation services	553,403	572,100	18,697
Transfers	1,352,634	1,364,796	12,162
Adjustment to Comply with Legal Maximum Budget	-	[205,311]	[205,311]
Adjustment for Qualifying Budget Credits	-	42,146	42,146
Total Expenditures	<u>8,486,886</u>	<u>\$ 8,486,886</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[5,424]		
Unencumbered Cash, Beginning	<u>5,424</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 379
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Ad valorem taxes	\$ 1,173,686	\$ 1,050,328	\$ 123,358
Delinquent taxes	13,628	16,748	[3,120]
Motor vehicle taxes	217,284	200,896	16,388
State aid	<u>1,394,177</u>	<u>1,549,312</u>	<u>[155,135]</u>
Total Receipts	<u>2,798,775</u>	<u>\$ 2,817,284</u>	<u>\$ [18,509]</u>
Expenditures			
Instruction	835,715	\$ 859,401	\$ 23,686
Student support services	100,557	100,000	[557]
General administration	157,791	131,000	[26,791]
School administration	63,944	2,000	[61,944]
Operations and maintenance	109,268	77,500	[31,768]
Transfers	1,613,185	1,775,000	161,815
Adjustment to Comply with Legal Maximum Budget	-	<u>[64,441]</u>	<u>[64,441]</u>
Total Expenditures	<u>2,880,460</u>	<u>\$ 2,880,460</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[81,685]		
Unencumbered Cash, Beginning	<u>127,617</u>		
Unencumbered Cash, Ending	<u>\$ 45,932</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Transfers	\$ 533,605	\$ 750,000	\$ [216,395]
Total Receipts	<u>533,605</u>	<u>\$ 750,000</u>	<u>\$ [216,395]</u>
Expenditures			
Instruction	<u>530,632</u>	<u>\$ 850,000</u>	<u>\$ 319,368</u>
Total Expenditures	<u>530,632</u>	<u>\$ 850,000</u>	<u>\$ 319,368</u>
Total Expenditures	2,973		
Receipts Over [Under] Expenditures	<u>197,027</u>		
Unencumbered Cash, Ending	<u>\$ 200,000</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Transfers	\$ 10,000	\$ 5,000	\$ 5,000
Total Receipts	<u>10,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
Expenditures			
Instruction	8,507	\$ 12,765	\$ 4,258
Total Expenditures	<u>8,507</u>	<u>\$ 12,765</u>	<u>\$ 4,258</u>
Receipts Over [Under] Expenditures	1,493		
Unencumbered Cash, Beginning	<u>7,765</u>		
Unencumbered Cash, Ending	<u>\$ 9,258</u>		

See independent auditor's report on the financial statements.

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UNIFIED SCHOOL DISTRICT NO. 379
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Transfers	\$ 76,600	\$ 50,000	\$ 26,600
Reimbursements	<u>100</u>	<u>-</u>	<u>100</u>
Total Receipts	<u>76,700</u>	<u>\$ 50,000</u>	<u>\$ 26,700</u>
Expenditures			
Instruction	77,815	\$ 101,023	\$ 23,208
School administration	<u>348</u>	<u>500</u>	<u>152</u>
Total Expenditures	<u>78,163</u>	<u>\$ 101,523</u>	<u>\$ 23,360</u>
Receipts Over [Under] Expenditures	[1,463]		
Unencumbered Cash, Beginning	<u>51,523</u>		
Unencumbered Cash, Ending	<u>\$ 50,060</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Ad valorem taxes	\$ 423,236	\$ 386,882	\$ 36,354
Federal aid	33,623	-	33,623
State aid	89,511	161,951	[72,440]
Miscellaneous	239,229	200,000	39,229
Interest income	17,471	25,000	[7,529]
Total Receipts	<u>803,070</u>	<u>\$ 773,833</u>	<u>\$ 29,237</u>
Expenditures			
Instruction	60,378	\$ 233,444	\$ 173,066
General administration	38,408	5,000	[33,408]
Operations and maintenance	82,294	355,000	272,706
Student transportation services	255,983	200,000	[55,983]
Facility acquisition and construction services	92,521	450,000	357,479
Total Expenditures	<u>529,584</u>	<u>\$ 1,243,444</u>	<u>\$ 713,860</u>
Receipts Over [Under] Expenditures	273,486		
Unencumbered Cash, Beginning	<u>607,325</u>		
Unencumbered Cash, Ending	<u>\$ 880,811</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
State aid	\$ 7,268	\$ 6,800	\$ 468
Charges for services	<u>7,503</u>	<u>10,000</u>	<u>[2,497]</u>
Total Receipts	<u>14,771</u>	<u>\$ 16,800</u>	<u>\$ [2,029]</u>
Expenditures			
Instruction	11,703	\$ 52,615	\$ 40,912
Operations and maintenance	<u>130</u>	<u>21,600</u>	<u>21,470</u>
Total Expenditures	<u>11,833</u>	<u>\$ 74,215</u>	<u>\$ 62,382</u>
Receipts Over [Under] Expenditures	2,938		
Unencumbered Cash, Beginning	<u>61,925</u>		
Unencumbered Cash, Ending	<u>\$ 64,863</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Contingency Reserve Fund*
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2015

Receipts	
Transfers	\$ 49,026
Total Receipts	<u>49,026</u>
Expenditures	
Operations and maintenance	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	49,026
Unencumbered Cash, Beginning	<u>402,612</u>
Unencumbered Cash, Ending	<u>\$ 451,638</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 379
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Federal aid	\$ 374,074	\$ 367,767	\$ 6,307
State aid	8,013	7,040	973
Charges for services	343,807	379,080	[35,273]
Miscellaneous	4,950	7,000	[2,050]
Transfers	36,939	10,000	26,939
Total Receipts	<u>767,783</u>	<u>\$ 770,887</u>	<u>\$ [3,104]</u>
Expenditures			
Food service operation	767,761	\$ 869,000	\$ 101,239
Operations and maintenance	-	38,200	38,200
Total Expenditures	<u>767,761</u>	<u>\$ 907,200</u>	<u>\$ 139,439</u>
Receipts Over [Under] Expenditures	22		
Unencumbered Cash, Beginning	<u>188,659</u>		
Unencumbered Cash, Ending	<u>\$ 188,681</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Transfers	\$ 5,000	\$ -	\$ 5,000
Miscellaneous	25	-	25
Total Receipts	<u>5,025</u>	<u>\$ -</u>	<u>\$ 5,025</u>
Expenditures			
Instruction	2,825	\$ -	\$ [2,825]
Instructional support services	3,485	10,161	6,676
Other support services - business and administration	500	32,000	31,500
Total Expenditures	<u>6,810</u>	<u>\$ 42,161</u>	<u>\$ 35,351</u>
Receipts Over [Under] Expenditures	[1,785]		
Unencumbered Cash, Beginning	<u>42,161</u>		
Unencumbered Cash, Ending	<u>\$ 40,376</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Parent Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
State aid	\$ 63,157	\$ 63,157	\$ -
Miscellaneous	17,464	17,464	-
Transfers	23,600	23,600	-
Total Receipts	<u>104,221</u>	<u>\$ 104,221</u>	<u>\$ -</u>
Expenditures			
Instruction	399	\$ -	\$ [399]
Student support services	101,972	113,000	11,028
Instructional support services	1,793	-	[1,793]
Total Expenditures	<u>104,164</u>	<u>\$ 113,000</u>	<u>\$ 8,836</u>
Receipts Over [Under] Expenditures	57		
Unencumbered Cash, Beginning	<u>10,221</u>		
Unencumbered Cash, Ending	<u>\$ 10,278</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Transfers	\$ 1,780,259	\$ 1,891,196	\$ [110,937]
Miscellaneous	18,081	-	18,081
Total Receipts	<u>1,798,340</u>	<u>\$ 1,891,196</u>	<u>\$ [92,856]</u>
Expenditures			
Instruction	-	\$ 25,500	\$ 25,500
Instructional support services	205	100	[105]
Operations and maintenance	4,093	-	[4,093]
Student transportation services	70,414	102,000	31,586
Transfers	1,715,050	1,950,000	234,950
Total Expenditures	<u>1,789,762</u>	<u>\$ 2,077,600</u>	<u>\$ 287,838</u>
Receipts Over [Under] Expenditures	8,578		
Unencumbered Cash, Beginning	<u>770,878</u>		
Unencumbered Cash, Ending	<u>\$ 779,456</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Federal aid	\$ 2,000	\$ -	\$ 2,000
Miscellaneous	18,615	25,000	[6,385]
Transfers	<u>450,790</u>	<u>410,000</u>	<u>40,790</u>
Total Receipts	<u>471,405</u>	<u>\$ 435,000</u>	<u>\$ 36,405</u>
Expenditures			
Instruction	433,019	\$ 421,500	\$ [11,519]
Instructional support services	<u>28,981</u>	<u>40,500</u>	<u>11,519</u>
Total Expenditures	<u>462,000</u>	<u>\$ 462,000</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	9,405		
Unencumbered Cash, Beginning	<u>150,777</u>		
Unencumbered Cash, Ending	<u>\$ 160,182</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Special Education Cooperative Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Federal aid	\$ 617,510	\$ 670,288	\$ [52,778]
State aid	1,575,667	2,435,775	[860,108]
Contributions	802,807	-	802,807
Reimbursements	288,639	150,000	138,639
Miscellaneous	21,570	-	21,570
Transfers	1,715,050	1,790,982	[75,932]
Total Receipts	<u>5,021,243</u>	<u>\$ 5,047,045</u>	<u>\$ [25,802]</u>
Expenditures			
Instruction	3,333,426	\$ 3,650,700	\$ 317,274
Student support services	1,289,214	1,266,500	[22,714]
Instructional support services	54,833	33,400	[21,433]
General administration	255,374	251,380	[3,994]
School administration	-	26,142	26,142
Operations and maintenance	17,288	24,500	7,212
Total Expenditures	<u>4,950,135</u>	<u>\$ 5,252,622</u>	<u>\$ 302,487</u>
Receipts Over [Under] Expenditures	71,108		
Unencumbered Cash, Beginning	<u>543,529</u>		
Unencumbered Cash, Ending	<u>\$ 614,637</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
KPERs Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
State aid	\$ 1,015,520	\$ 1,343,406	\$ [327,886]
Total Receipts	<u>1,015,520</u>	<u>\$ 1,343,406</u>	<u>\$ [327,886]</u>
Expenditures			
Instruction	690,827	\$ 808,406	\$ 117,579
Student support services	91,397	132,000	40,603
Instructional support services	20,310	44,000	23,690
General administration	30,466	54,000	23,534
School administration	60,931	89,000	28,069
Other support services	10,155	24,000	13,845
Operations and maintenance	40,621	64,000	23,379
Student transportation services	37,877	74,000	36,123
Food service	<u>32,936</u>	<u>54,000</u>	<u>21,064</u>
Total Expenditures	<u>1,015,520</u>	<u>\$ 1,343,406</u>	<u>\$ 327,886</u>
Receipts Over [Under] Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Textbook Rental Fund*
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2015

Receipts	
Charges for services	\$ 52,491
Total Receipts	<u>52,491</u>
Expenditures	
Instruction	<u>30,869</u>
Total Expenditures	<u>30,869</u>
Receipts Over [Under] Expenditures	21,622
Unencumbered Cash, Beginning	<u>262,212</u>
Unencumbered Cash, Ending	<u>\$ 283,834</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 379
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Miscellaneous	\$ 58,854	\$ 35,000	\$ 23,854
Total Receipts	<u>58,854</u>	<u>\$ 35,000</u>	<u>\$ 23,854</u>
Expenditures			
Instruction	45,330	\$ 27,000	\$ [18,330]
Instructional support services	953	8,000	7,047
Operations and maintenance	<u>16,000</u>	-	<u>[16,000]</u>
Total Expenditures	<u>62,283</u>	<u>\$ 35,000</u>	<u>\$ [27,283]</u>
Receipts Over [Under] Expenditures	[3,429]		
Unencumbered Cash, Beginning	<u>16,368</u>		
Unencumbered Cash, Ending	<u>\$ 12,939</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Grant Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Title I</u>	<u>Title II-A Teacher Quality</u>	<u>ECSE</u>
Receipts			
Federal aid	\$ 193,892	\$ 60,843	\$ 28,552
Other local receipts	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>193,892</u>	<u>60,843</u>	<u>28,552</u>
Expenditures			
Instruction	193,892	47,193	28,552
Student support services	-	-	-
Instructional support services	-	1,102	-
General administration	-	-	-
School administration	-	15,242	-
Other support services	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>193,892</u>	<u>63,537</u>	<u>28,552</u>
Receipts Over [Under] Expenditures	-	[2,694]	-
Unencumbered Cash, Beginning	<u>-</u>	<u>2,694</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Title VI-B</u>	<u>Title IV Project Lead</u>	<u>Total Actual</u>	<u>Budget</u>	<u>Variance Positive [Negative]</u>
\$ 26,142	\$ 220,000	\$ 529,429	\$ 546,083	\$ [16,654]
-	26,972	26,972	-	26,972
<u>26,142</u>	<u>246,972</u>	<u>556,401</u>	<u>\$ 546,083</u>	<u>\$ 10,318</u>
5,840	281,694	557,171	\$ 570,611	\$ 13,440
-	6,914	6,914	24,000	17,086
-	-	1,102	-	[1,102]
-	648	648	-	[648]
20,302	-	35,544	14,000	[21,544]
-	-	-	10,000	10,000
<u>26,142</u>	<u>289,256</u>	<u>601,379</u>	<u>\$ 618,611</u>	<u>\$ 17,232</u>
-	[42,284]	[44,978]		
-	72,528	75,222		
<u>\$ -</u>	<u>\$ 30,244</u>	<u>\$ 30,244</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Ad valorem taxes	\$ 304,046	\$ 280,799	\$ 23,247
Delinquent taxes	2,819	3,051	[232]
Motor vehicle taxes	39,222	39,396	[174]
State aid	<u>190,739</u>	<u>190,739</u>	-
Total Receipts	<u>536,826</u>	<u>\$ 513,985</u>	<u>\$ 22,841</u>
Expenditures			
Interest	99,830	\$ 99,830	\$ -
Principal	<u>430,000</u>	<u>430,000</u>	-
Total Expenditures	<u>529,830</u>	<u>\$ 529,830</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	6,996		
Unencumbered Cash, Beginning	<u>644,403</u>		
Unencumbered Cash, Ending	<u>\$ 651,399</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
2015 Bond Proceeds Fund*
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2015

Receipts	
Bond proceeds	\$ 6,977,900
Interest income	<u>7,294</u>
Total Receipts	<u>6,985,194</u>
Expenditures	
General administration	83,010
Facility acquisition and construction services	<u>1,688,105</u>
Total Expenditures	<u>1,771,115</u>
Receipts Over [Under] Expenditures	5,214,079
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 5,214,079</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 379
FEMA Fund*
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2015

Receipts	
Bond proceeds	\$ 782,166
Interest income	<u>244</u>
Total Receipts	<u>782,410</u>
Expenditures	
Facility acquisition and construction services	<u>32,888</u>
Total Expenditures	<u>32,888</u>
Receipts Over [Under] Expenditures	749,522
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 749,522</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 379
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2015

<u>FUND</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
ELEMENTARY SCHOOLS				
Lincoln Elementary				
Student fundraiser	\$ 4,057	\$ 4,829	\$ 5,241	\$ 3,645
Library book	1,678	3,342	4,429	591
Watch D.O.G.S.	-	14	-	14
Petty cash	500	789	789	500
Total Lincoln Elementary	<u>6,235</u>	<u>8,974</u>	<u>10,459</u>	<u>4,750</u>
Garfield Elementary				
Book fair	150	1,922	1,912	160
Yearbook	1,105	3,932	4,226	811
Miscellaneous	182	232	207	207
Watch D.O.G.S.	-	635	255	380
Petty cash	500	1,890	1,890	500
Total Garfield Elementary	<u>1,937</u>	<u>8,611</u>	<u>8,490</u>	<u>2,058</u>
TOTAL ELEMENTARY SCHOOL ACTIVITY FUNDS	<u>8,172</u>	<u>17,585</u>	<u>18,949</u>	<u>6,808</u>
MIDDLE SCHOOL FUNDS				
Clay Center Community Middle School				
Student council	6,284	7,805	8,291	5,798
Library	227	107	-	334
Literacy	229	1,949	2,055	123
Jazz band	119	-	-	119
Petty cash	721	1,796	1,767	750
Sales tax	229	1,484	1,434	279
Student incentive	545	6,088	6,353	280
Mentor program	1,057	4,350	4,818	589
Total Clay Center Community Middle School	<u>9,411</u>	<u>23,579</u>	<u>24,718</u>	<u>8,272</u>
Wakefield School				
Cheerleaders	6,684	9,105	13,184	2,605
Jr. High cheerleaders	1,543	-	35	1,508
Class of 2014	96	-	96	-
Class of 2015	916	152	1,011	57
Class of 2016	1,830	5,560	5,952	1,438
Class of 2017	774	660	127	1,307
Class of 2018	75	567	-	642
Class of 2019	-	85	-	85
Class of 2020	85	-	70	15
Class of 2021	-	40	-	40
Book fair	-	1,284	1,271	13
Drama	171	-	-	171
Envirothon	1,232	-	-	1,232
Miscellaneous	4,672	6,906	6,836	4,742
Music	37	1,649	1,425	261
P.L.A.Y.S.	500	407	-	907
Cross country	586	3,152	3,061	677
National honor society	178	201	379	-
Petty cash	1,250	3,551	3,551	1,250
Photo club	-	89	-	89
Quiz bowl	77	-	-	77
SADD	837	197	470	564
Yearbook	4,391	6,780	7,394	3,777
Renaissance	953	1,431	1,177	1,207
FCA	51	156	-	207
Library	333	99	-	432
Concessions	1,189	13,825	12,485	2,529
Spanish club	65	-	-	65
Shop	-	2,060	2,060	-
Sales tax	122	3,549	3,585	86
Total Wakefield School	<u>28,647</u>	<u>61,505</u>	<u>64,169</u>	<u>25,983</u>
TOTAL MIDDLE SCHOOL ACTIVITY FUNDS	<u>38,058</u>	<u>85,084</u>	<u>88,887</u>	<u>34,255</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 379
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2015

<u>FUND</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
HIGH SCHOOL FUNDS				
Clay Center Community High School				
ACT	\$ 765	\$ 2,679	\$ 2,668	\$ 776
Art society	610	-	311	299
Class of 2015	1,947	3,979	3,546	2,380
Class of 2016	210	9,814	9,717	307
Drama club	1,139	2,684	3,575	248
FBLA	150	-	-	150
FFA	6,989	47,354	48,086	6,257
FCCLA	2,741	-	825	1,916
Envirothon	418	250	-	668
Cheerleaders	4,685	9,817	11,270	3,232
National Honor Society	236	43	200	79
Stardusters	3,835	16,097	12,940	6,992
Student council	1,675	5,888	5,780	1,783
SADD	226	-	-	226
Renaissance	1,015	5,412	5,782	645
Yearbook	17,066	17,705	14,324	20,447
Library	2,488	141	13	2,616
Scholarships and memorials	2,000	1,500	3,500	-
Petty cash	750	2,514	2,514	750
Tiger prints	2,997	10,813	8,407	5,403
Humanities	344	260	159	445
TNT	816	1,821	1,273	1,364
Sales tax	43	17,097	12,475	4,665
Total Clay Center Community High School	<u>53,145</u>	<u>155,868</u>	<u>147,365</u>	<u>61,648</u>
TOTAL HIGH SCHOOL ACTIVITY FUNDS	<u>53,145</u>	<u>155,868</u>	<u>147,365</u>	<u>61,648</u>
OTHER AGENCY FUNDS				
Payroll Clearing Fund	<u>4,406</u>	<u>176,610</u>	<u>88,093</u>	<u>92,923</u>
TOTAL OTHER AGENCY FUNDS	<u>4,406</u>	<u>176,610</u>	<u>88,093</u>	<u>92,923</u>
TOTAL AGENCY FUNDS	<u>\$ 103,781</u>	<u>\$ 435,147</u>	<u>\$ 343,294</u>	<u>\$ 195,634</u>

UNIFIED SCHOOL DISTRICT NO. 379
 District Activity Funds
 Schedule of Receipts, Expenditures and Unencumbered Cash
 Regulatory Basis
 For the Year Ended June 30, 2015

	Beginning Unencumbered <u>Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>	Add Outstanding Encumbrances and Accounts <u>Payable</u>	Ending Cash <u>Balance</u>
District Activity Funds						
Clay Center Community						
High School						
Gate Receipts	\$ 14,487	\$ 117,074	\$ 99,677	\$ 31,884	\$ -	\$ 31,884
School Projects	525	2,969	2,187	1,307	-	1,307
Clay Center Community						
Middle School						
Gate Receipts	631	15,175	13,445	2,361	-	2,361
Wakefield School						
Gate Receipts	1,011	31,802	28,724	4,089	-	4,089
Total District Activity Funds	<u>\$ 16,654</u>	<u>\$ 167,020</u>	<u>\$ 144,033</u>	<u>\$ 39,641</u>	<u>\$ -</u>	<u>\$ 39,641</u>

UNIFIED SCHOOL DISTRICT NO. 379
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Education</u>					
Direct U.S. Department of Education					
Impact Aid (P.L. 81-874)	84.041	\$ -	\$ 61,268	\$ 61,268	\$ -
Total Direct U.S. Department of Education		<u>-</u>	<u>61,268</u>	<u>61,268</u>	<u>-</u>
Passed Through State Department of Education:					
Title I	84.010	-	193,892	193,892	-
Title VI - Special Education	84.027	-	598,403	598,403	-
Special Education - Preschool Grants	84.173	-	28,552	28,552	-
Career & Technical Education - Basic Grants to State	84.048	-	2,000	2,000	-
Title IV Project Lead	84.287	12,200	220,000	232,200	-
Title II-A Teacher Quality	84.367	2,694	60,843	63,537	-
Total Passed Through State Department of Education		<u>14,894</u>	<u>1,103,690</u>	<u>1,118,584</u>	<u>-</u>
Passed Through State Department of Health and Environment:					
Infant Toddler	84.181	-	43,622	43,622	-
Total Passed Through State Department of Health and Environment:		<u>-</u>	<u>43,622</u>	<u>43,622</u>	<u>-</u>
Total Department of Education		<u>14,894</u>	<u>1,208,580</u>	<u>1,223,474</u>	<u>-</u>
<u>U.S. Department Health and Human Services</u>					
Passed Through State Department of Education:					
Youth Risk Behavior Survey	93.938	-	100	100	-
Total Department of Health and Human Services		<u>-</u>	<u>100</u>	<u>100</u>	<u>-</u>
<u>U.S. Department of Agriculture</u>					
Passed Through State Department of Education:					
Breakfast	10.553	-	58,536	58,536	-
National School Lunch Program	10.555	-	315,288	315,288	-
Cash for Commodities	10.558	-	1,627	1,627	-
Team Nutrition Training Grant	10.574	-	250	250	-
Total Department of Agriculture		<u>-</u>	<u>375,701</u>	<u>375,701</u>	<u>-</u>
Total		<u>\$ 14,894</u>	<u>\$ 1,584,381</u>	<u>\$ 1,599,275</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 379
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the expenditures of all federal financial assistance programs of Unified School District No. 379. All expenditures of federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances.

UNIFIED SCHOOL DISTRICT NO. 379
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified (Regulatory Basis)
Adverse (GAAP)

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency (ies) identified that are not
considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency (ies) identified that are not
considered to be material weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be
reported in accordance with section 510(a)
of Circular A-133? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Title VI - Special Education Cluster

Dollar threshold used to distinguish between
type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes _____ No

UNIFIED SCHOOL DISTRICT NO. 379
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section II - Financial Statement Findings

Current Year Findings

None Noted

Prior Year Findings

None Noted

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

None Noted

Prior Year Findings

None Noted

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"**

Board of Education
Unified School District No. 379
Clay Center, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statements of the Unified School District No. 379, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 31, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain other matters that we reported to management of the District in a separate letter dated August 31, 2015.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mike Houser: Company PA

Certified Public Accountants

August 31, 2015
Lawrence, KS



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Education
Unified School District No. 379
Clay Center, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of the Unified School District No. 379, (the District) with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal financial programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the Kansas Municipal Audit and Accounting Guide. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Myx Houser: Company PA

Certified Public Accountants

August 31, 2015
Lawrence, KS